

## EVALUATION OF ENTREPRENEURSHIP DEVELOPMENT POSSIBILITIES BY EXAMPLE OF SMALL AND MEDIUM ENTERPRISES IN THE REPUBLIC OF MOLDOVA

TATIANA APOSTOL<sup>1</sup>, GRAŽINA JATULIAVIČIENĖ<sup>2</sup>

Vilnius University (Lithuania)

### ABSTRACT

The article aims to show that small and medium enterprises (SMEs) and entrepreneurs is of great significance and play a crucial role in almost every nation's economy and as such have become a major source of employment creation and income generation which induces innovation and economic growth. The SMEs sector is of specific importance for the development of the Republic of Moldova. Creating a business environment that fosters small business and entrepreneurship development in Moldova is a key to generating wider economic growth in the country. As entrepreneurship in Moldova represents a rather new definition and the entrepreneurial activity is very poor, in this context, the need for SMEs sector support through the creation of stable legal and economic conditions favoring entrepreneurial activity development is evident. Empirical research revealed main problems facing Moldovan SMEs, and their attitudes to entrepreneurship development.

KEYWORDS: *entrepreneurship development, entrepreneur, SMEs.*

JEL CODES: Q010, L200, L260, M130

### Introduction

Entrepreneurship is considered to be the motor of an economy, being the one which helps each country to start its growth and development, to achieve results and to classify the countries into developing or developed ones. The term entrepreneurship comes from ancient times and it still remains actual till present being the reason of many researches. It started from the simple fact of producing and selling goods, and continued to increase its meaning to a broader one, through such activities like innovation, wealth creation and products exportation. Entrepreneurship is the activity that stays at the base of each countries achievements expansion through different kinds of activities, including a diverse number of entrepreneurial activities, from small and medium enterprises to the big ones.

The Republic of Moldova proclaimed its independence twenty years ago and currently passes through a transition period. Remaining a developing country, where the term entrepreneurship is not so much used and understood at its fair value and is more associated with the term of the small and medium enterprises, evaluating the entrepreneurship development possibilities is of a great significance, therefore making this area very important for research.

The Small and Medium Enterprises (SMEs) sector, as the National Bureau of Statistics of Moldova states, occupy in Moldova's small economy a very important role, representing 97.5 % of the total number

---

<sup>1</sup> Tatiana Apostol – Vilnius University, Faculty of Economics. Postgraduate management student. Scientific interest: entrepreneurship

E-mail: apostol\_t@yahoo.com

Tel.: +373 690 849 10

<sup>2</sup> Gražina Jatuliavičienė – Vilnius University (Lithuania), Faculty of Economics, Business department, assoc. prof., doctor of social sciences. Scientific interest: entrepreneurship, export development

E-mail: grazina.jatuliaviciene@ef.vu.lt

Tel.: +370 5 219 3230

of enterprises in 2011 of which 76 % were micro-enterprises and hiring almost 59 % of the working force of the country (Activity of small (...), 2012). The SME sector has been a key contributor to economic growth in the Republic of Moldova in recent years, but barriers to its further development remain and the road to an independent entrepreneurial activity, having a lot of obstacles and the success not being in all the cases guaranteed, whereas a lot of new established companies fail in the first years of their activity.

Therefore, the research object of this article will be the entrepreneurial activity of small and medium enterprises (SMEs) of the Republic of Moldova, being chosen a number of them implied in Hotel and Restaurants activities, from different regions of the country.

Based on all said, comes the work aim, which consists of the necessity of better understanding entrepreneurial SMEs place in the entrepreneurship process, their development possibilities, including factors that have a big influence, units of support, and of course the problems the new entrepreneurs have to face trying to start new activities.

Thus a set of tasks are set:

- To provide a theoretical overview on SMEs position and peculiarities in the entrepreneurship area.
- To conduct a research in order to determine the problems and barriers the Moldovan SMEs face in their entrepreneurship development.

Still, the research methods will not consist only from the analysis of related literature, but also from the primary data that will be obtained after providing a questionnaire; the owners of small and medium enterprises in the domain of hotels and restaurants were the main respondents.

## 1. Theoretical approach of the entrepreneurship development

Entrepreneurship has a main role in the economy of every country having as main objectives of activity the creating and handling the enterprises in order to obtain profits and introduce innovations on the market, or why not to create new products and even markets. The entrepreneurial activity has a complex character, and because of that and of the difference between the culture, traditions, politics and practical ways to develop business in various countries or regions there are given a lot of different definitions for the term entrepreneurship and entrepreneurs functions.

During the past centuries a lot of well-known economists like Cantillon (1700), Schumpeter (1934), or Baumol (1993) have searched, developed and shared with their followers a big number of different definitions for the term entrepreneurship. Landström (2004) in his work "Pioneers in Entrepreneurship research" classified scholars that used to study the entrepreneurship knowledge in four "swarms" of entrepreneurship research, as follows:

- First "swarm" (mid 19th) researched the administration more, and how through different human actions the entrepreneur could achieve success.
- Second "swarm" (late 19th) talk about uncertainty and gaining an equilibrium through innovations or not.
- Third "swarm" (1950–1970) studied the importance of behavior and qualities of the entrepreneurs.
- Fourth "swarm" investigates the competition, large and small organizations and principles of evaluating new concepts and areas.

Of course, definitions of entrepreneurship, that are used today in dictionaries, scientific and other sources are more complete and use a lot of terms, gathering together the thoughts that scholars from classical times till the modern ones used to clarify and find out which would be the best explanation for this term. According to the Commission of the European Communities, entrepreneurship is an individual's creative capacity, independently or within an organization, to identify an opportunity and to pursue it in order to produce new value or economic success (Entrepreneurship in Europe, 2003)

Nowadays, the Business Dictionary defines the *Entrepreneurship* like the “capacity and willingness to undertake conception, organization and management of a productive venture, with all attendant risks, while seeking profit as a reward... Entrepreneurial spirit is characterized by innovation and risk-taking and an essential component of a nation’s ability to succeed in an ever changing and more competitive global marketplace (Entrepreneurship...). Therefore the entrepreneur has a major role, through the changes he introduces, being the driving force of all economic transformations (McCaffrey, 2009).

So, as we notice from the above, the various definitions characterize the entrepreneurship as being a process, an attempt, a mindset or the actions of the entrepreneur, through which he creates, innovates, implements, and deals with uncertainty, while the productivity, creativity, risk-taking and anticipation of future results describe him in his action.

But as Lundström, Stevenson (2005) affirm, the entrepreneurial activity will be more developed in the countries where such entrepreneurship foundations as motivation, skills and opportunity will be better implemented. All foundations are being described by some other qualificatory steps and acts, as it is shown in the Figure 1.

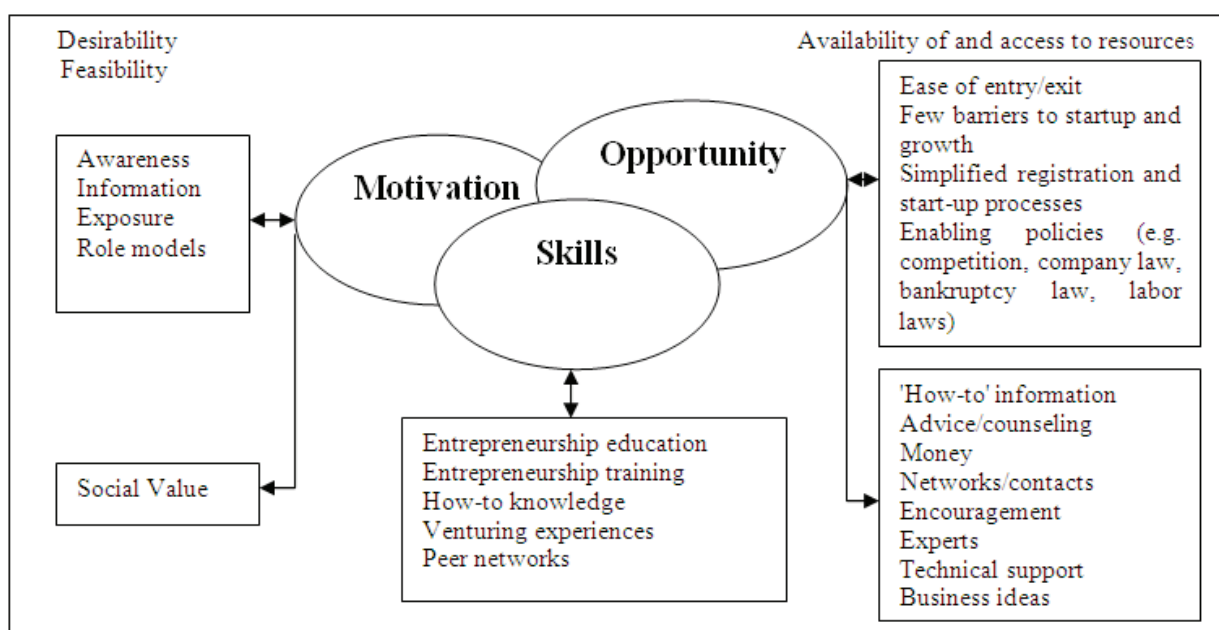


Figure 1. Entrepreneurship foundations

Source: Lundström, Stevenson, 2002: 26

Motivation is explained through the people’s knowledge of entrepreneurship and their eagerness to investigate it. Skills are acquired through the possibility to obtain the knowledge and aptitudes to continue researching it. In the European Union entrepreneurship is considered one of the key competences that need to be promoted at every stage of the learning system (Key competences for (...), 2007). Opportunity is provided through the help, support, advices and financing the entrepreneurs could receive from the government and institutions thus creating an environment in which entrepreneurs can prosper and entrepreneurship is rewarded.

Choosing entrepreneurship, the entrepreneurs should first of all decide why they are doing that. To the question why, some answers like economic progress of the area, correct use of all the resources, the desire to start new activities, to help increasing the number of employed persons, of self-employment or of employment possibilities and of course the better economic increase, would be of a great value (Baruah, 2003).

Social entrepreneurship differs from the economic one through the values and principles that it guides to, and through the altruism that stays at its base. It is characterized by the non-financial results that it expects for him and for his investors, and for the change it can bring to the society (Martin, Osberg, 2007). How Martin, Osberg (2007) also describe it, the social entrepreneur's value proposition targets an underserved, neglected, or highly disadvantaged population that lacks the financial means or political clout to achieve the transformative benefit on its own.

To develop the entrepreneurship, and to follow all the steps, trying to succeed, an important role comes to the personage that has to do and implement all that, to the entrepreneur. There are not some limits of age, gender or social class that are required in order to become an entrepreneur, but the studies show that there are still some characteristics that describe the successful entrepreneurs, Martin, Osberg (2007) presents the entrepreneur to us, in this way:

- Entrepreneurs are inspired – comes from the willingness that they want to help someone which they emphasize.
- Entrepreneurs think creatively – they try to solve a problem, not through finding new more sophisticated answers, but creating new explanations.
- Entrepreneur takes direct action – they don't wait for someone else to apply their idea creating new products or services, but do it themselves.
- Entrepreneur demonstrates courage – through the fact that assume to take big risks for something that others think it is impossible to realize.
- Entrepreneurs possess fortitude – they have force to go till the end, and even find solutions to new confrontations and obstacle that face during the process.

To the characteristics that Martin, Osberg (2007) proposed for the entrepreneurs, Thompson (1999) says that they are the ones who add value to the products, knowing the most important moment for succeeding. Also choosing the right persons to work with, like partners and investors, makes the entrepreneurs be the best networkers. Being determined in the face of adversity is explained by the motivation the entrepreneurs have to be successful and pass all the obstacles they meet in their way to victory.

The metaphors Dodd (2002) used for creating a cultural model of entrepreneurship are diverse, using metaphors, where each of them has at its own term some other parameters to be characterized. These parameters are presented in the Table 1, as it follows:

Table 1. Overview of Dodd's metaphors and grounds of the cultural Entrepreneurship Model

<b>Journey</b>	Pioneering, venturing	Step-by-step development, overcoming problems	Progress, success, overcoming obstacles
<b>Race</b>	Competition, success for its own sake	Competitiveness	Progress, success, overcoming obstacles
<b>War</b>	Aggression, patriarchy	Competitiveness	Attacking the given
<b>Passion</b>	Love	Excitement	Fierce attachment, commitment, joy
<b>Parenting</b>	Nurturing, protecting, life path, responsibility, patriarchy	Step-by-step development, overcoming problems	Fierce attachment, commitment, joy
<b>Building</b>	Getting the first steps right	Step-by-step development, Overcoming problems	Fierce attachment, commitment, joy

Source: Dodd, 2002: 519–535

So, as it is seen, the metaphors like *Parenting*, *Building* and *Journey* are more described by the step-by-step development, where progress and success has to be achieved, in comparison to the *Race* or *War*, two metaphors more based on competition. There is also *Passion* presented by commitment and joy of acting in some domain or other.

## 2. Positive and negative sides of entrepreneurship

The entrepreneurship objectives, like developing of the economy and its growth, self-employment, creating new businesses and firms in the less developed regions, it is easily to deduct the positive sides of entrepreneurship. The positive sides are more discussed and presented by the researchers in the area, then the negative sides of the entrepreneurship, which are less argued; still some of the studies try to investigate it too, as for example a more recent one Peretto (1998).

Entrepreneurship is the procedure of opening new firms, and as Bolton, Thompson (2004, p. 1) say “Entrepreneurs are the ones who create and built the future”. Once the firms are created, and the future is started to be built, this is made through employment of their own or through the jobs the new entrepreneurs create for others, leading to the development of the country as a whole, not only on the economic side (Tanas, Sae, 2008).

Based on the thoughts of different scholars, positive sides of entrepreneurship are exposed as follows:

- Self-employment and creation of new job places for others through creating new firms avoiding complicated cases of employment (Shein et al., 2010; Alstete, 2008).
- Contributing to the economic growth of the region or country (Shein et al., 2010).
- Innovativeness through diverse technologies on creating new products (Alstete, 2008).
- Proactiveness while creating and working hard to easily compete or show better results as the ones of the competitors (Gonzales - Benito et al., 2009).
- Being able to earn money and be the own employer/ boss/ supervisor (Alstete, 2008; Longenecker et al., 2006).
- Self- fulfillment, occasions for developing and grow on the job scale and possibility of managing the spending time with family or at work (Carter et al., 2004).

On the contrary, talking about the negative sides of the entrepreneurship, some scholars admit that there exist such sides, but usually they involve the persons that are active in these entrepreneurial activities (Kets de Vries, 1985). These features that affect and characterize the personalities are supposed to be the continuous stressful environment they work in, the necessity to check how the things are done, and to control everything and everyone, looking for permanent success and realization. Knowing that only they are responsible for that, there is also the need to concentrate to the maximum level, sometimes this leading to health problems, or misunderstandings with family members or co-workers (Akande, 1992; Buttner, 1992).

The negative sides as presented by Van Voorhis (1980) are as following:

- Risk of Losses – talking not only about capital, but also reputation or friends.
- Anguish over uncertainty – the impossibility to control the business fluctuations.
- Time, Effort, and More Funds – which are needed to successfully maintain an enterprise and even get profits.
- Straining of Values – talk about compromises that should be sometimes made in personal ethics and values.
- Demands above Expertise – the controls, services or advices the new entrepreneur receives from outside his business experts.
- Growth Dilemmas – the decisions that should be made when an already set level was approached.
- Miscellaneous Reasons – the hard way to come back to the previous profession, once a person (engineer, college professor) decides to start his own business.

Thinking that the negative sides show only the effects on the persons involved in the entrepreneurial activities, we understand that there are not very good defined parts of entrepreneurship like being negative. Overall, entrepreneurship is characterized by positive factors, and things like creating new jobs, developing economically small regions are most of all important for the developing countries, where these steps are essential for progress.

### 3. Interrelationships of Entrepreneurship and Small and Medium Enterprises

While a lot of researches want to show and prove that the Small and Medium Enterprises (SMEs) and entrepreneurship walk hand in hand, bringing together big results in the economic growth, being one of the most important fact for development countries, others show that they are different concepts to talk about.

Through the ones who show the economic importance and their similarities, there are Hashi, Krasniqi (2011) who through the comparison of some developed and less-developed countries from the South-East Europe study the entrepreneurship and SME growth. Singh, Belwal (2008) also talk about entrepreneurship and SMEs in Ethiopia as addressing the same meaning to both of these terms.

On the other hand, Lundström, Stevenson (2005) try to define and show the initial meaning of entrepreneurship, and how the SMEs could be included in this area, bringing distinctions for the entrepreneurship policy and for small and medium enterprises policy. The same things, analogies regarding the SMEs and Entrepreneurship, are stated in Lucky, Olusegun (2012) research, where they say, that these two concepts are alike through:

- The objective they are both conducted by – creating employment places, aiming for growth of the economy, development and changes.
- The factors that are influenced by – environment, culture, location, individual characteristics, firm characteristics.
- The characteristics that describe the entrepreneurs and the SMEs holders – initiative, creativity, convincing, perseverance, risk-taking, planning, self- confidence, courage and fortitude.

But still, Lundström, Stevenson (2005) bring arguments for the fact that even if these policies are inter-related, they still have unique characteristics, through the objectives they set. The policy regarding SMEs has from past times and by tradition been centered on the competitiveness and productivity of the SMEs sector, trying to ensure they have “level playing field” in comparison to big firms. The entrepreneurship scope is to increase the number of entrepreneurs for an advanced involvement in the entrepreneurial activity.

The four other areas of divergence, between entrepreneurship and SMEs policy, as Lundström, Stevenson (2005) present in their research, are:

1. Entrepreneurship policy focuses on individuals, while SME policy focuses on firms.
2. Entrepreneurship policy focuses on supporting the needs of people as they move through the earliest stages of the entrepreneurial process from awareness to intent to pre-start-up and early post-start-up, while SME policy emphasizes support to established firms that have acquired sufficient capacity to benefit from SME schemes and measures.
3. Entrepreneurship policy makes greater use of “soft” policy measures, such as mentoring and entrepreneurship promotion, while SME policy makes greater use of “hard” policy instruments such as financial subsidies to buy-down the cost of plant and equipment.
4. The implementation of entrepreneurship policy incorporates a broad set of institutional partners in the make-up of its “support environment” (e.g., educators, the media and a diverse set of government ministries), while SME policy is more likely to be implemented through a narrower set of economic institutions (e.g., economic development agencies, financial intermediaries).

According to Darren, Conrad (2009) the difference between SMEs and entrepreneurship is big, as the talk is about two different concepts; and even they are likely to reach the same goals the SMEs are only firms or ventures, but the entrepreneurship is the process of creating them. Therefore, the differences between SMEs and entrepreneurship, stated in their research are as follow (Lucky, Olusegun, 2012):

- Entrepreneurship is a procedure of opening new firms, while SMEs are the businesses already created.
- Entrepreneurs are the ones who think, create, innovate in order to open new firms and face new challenges, while the SMEs holders try to manage their created business, producing and selling different things.

- The skills in order to characterize the entrepreneur are to discover and innovate, while the ones presented for the SME holders are described more by the managerial skills.

So, it is possible to say that even there are differences showed regarding the concepts, and the SMEs are only a way to develop entrepreneurship, the last one being the process of establishing them. Even if they differ through the size, and some skills that the entrepreneurs possess, the more important are the objectives that they conduct themselves by and the results they need to obtain. Therefore the authors that use these terms more as synonyms, are even more entitled to do that talking about underdeveloped countries, where the number of small and medium enterprises is bigger than the one of the big corporations.

#### 4. Overall Entrepreneurship Development in the Republic of Moldova

In 2011 in the Republic of Moldova the number of SMEs was 47.3 thousand enterprises, or with 1.7 thousand enterprises (3,7 %) more than in 2010 (Activity of small (...), 2012). Talking about the number of enterprises and small and medium enterprises present in the Republic of Moldova, doesn't really show and talk about the entrepreneurial development in the country.

Entrepreneurship development is influenced by institutions activities. A number of projects of United Nation, International Organization for Migration, Organization for Small and Medium Enterprises Sector Development, Winrock International or International Committee of Civic Diplomacy tend to implement and contribute to the entrepreneurship development, trying to inform and make people, mostly youth and women to understand that their ideas can change not only their life but also the economic future of the country or the region they activate in. So, as the National Bureau of Statistics of Moldova presents, these organizations objectives would be:

- Develop entrepreneurial culture and skills.
- Facilitating already existing or new entrepreneurs to access to information or entrepreneurial advices.
- Facilitating the access to financial support.
- Development of business support infrastructure.
- Promotion of the public- private dialogue (Analysis of the Entreprises (...), 2012).

The four main components that should be implemented would be: Information and Communication; Training and entrepreneurship support; Financing; Post implementation monitoring and evaluation.

So, as the statistics in the period of 2011 show (ODIMM annual report, 2012), in the first component "Information and Communication", where the main objective was to inform the potential entrepreneurs about the existing and the future projects that had to be implemented, 4000 consultations were given through the agencies implementing the projects, to students, women, youth from rural areas, or maybe migrants and their relatives, depending on the project they were interested in.

Continuing the component of training and entrepreneurship support, where the entrepreneurial skills are presented as being of a great importance in starting and developing a business and where the main scope would be to stimulate the entrepreneurship between the young entrepreneurs or the already existing ones and educate that attitude and knowledge of adding value to their ideas, in the same period 24 training seminars were provided, where 656 participants were trained from different regions of the Republic of Moldova. It is also good to mention that 20 % of the participants already had registered a business, but still presented the willingness to improve their entrepreneurial skills. At the same time, 42 % of the participants were women.

Talking about the ages of the participants that took part in the seminars, it is better seen in the Figure 2.

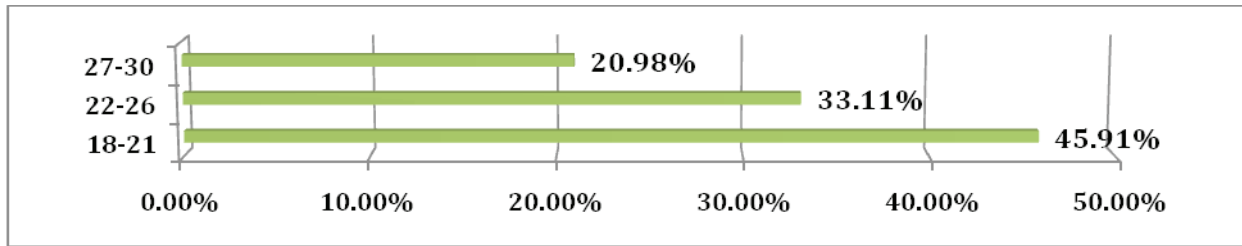


Figure 2. Distribution of Training Participants in terms of age

Source: ODIMM annual report, 2012: 4–8. Graph made by authors

So, it is easily seen that most of the participant that part in the training seminars provided on entrepreneurship skills and knowledge, are the one with ages between 18 and 21 years old, representing almost 46 % of the total participants.

Most of the domains that the participants listed as being attractive to them, thinking to start new entrepreneurial activities would be as presented in Figure 3.

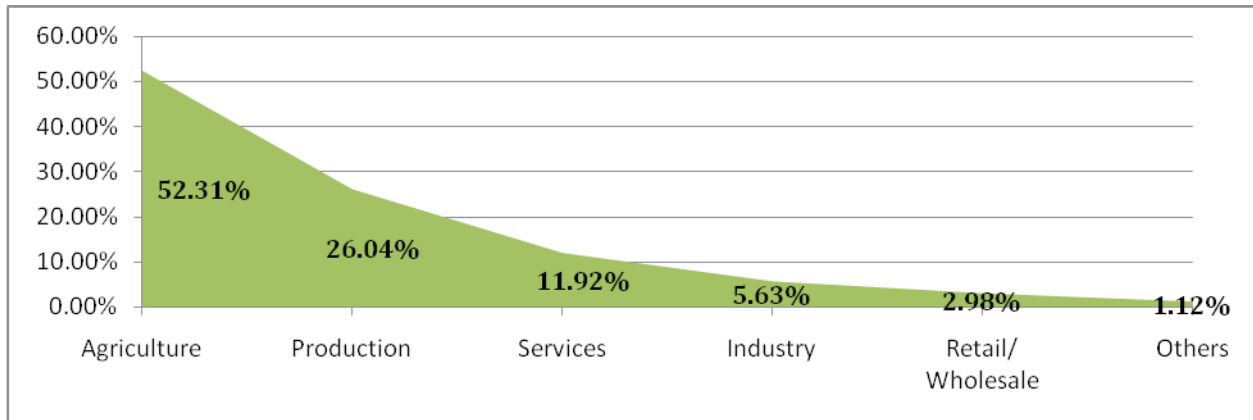


Figure 3. Attractive domains of entrepreneurial activity for participants in the training seminars

Source: ODIMM annual report, 2012: 7

Therefore, the most attractive is the Agricultural sector with 52.31 %, being placed on the first place, followed by Production with 26.04 % and then Services, on the third with 11.92 %.

The support the government of the Republic of Moldova provides to its entrepreneurs and new businesses or existing ones is made through the Agencies they implement and their projects. Through the mentioned agencies are known: Moldovan Investment and Export Promotion Organization (MIEPO), Organization for Small and Medium Enterprises Sector Development (ODIMM) and Chamber of Commerce and Industry (CCI).

Moldovan Investment and Export Promotion Organization's (MIEPO) mission is to support business development and partnership in Moldova through involvement, communication and promotion. As the MIEPO official site says, MIEPO experts team is the most suitable to provide professional assistance for identification and exploration investment opportunities in Republic of Moldova.

Chamber of Commerce and Industry (CCI) is an organization which main objective is to create a medium and a business community in the society and to represent the interests of its members in the system of external relations of the Republic of Moldova, in the relations of its members with the governmental authorities and in the foreign businesses circles (Ce reprezintă CCI...).

In comparison to them, the Organizations for Small and Medium Enterprises Sector Development (ODIMM) mission is to contribute to the enhancement of the national competitiveness by supporting the



development of SMEs, while becoming the promoter of the local Entrepreneurship. Their objectives, as set in the organizations regulatory framework, include:

- Creating opportunities and launch a successful business, particularly in rural areas.
- Formation and enhancement of the cultural and *entrepreneurial* skills.
- Facilitating SME access to finance.
- Facilitating SMEs’ access to information resources.
- Stimulating the public-private dialogue.
- Support the development of business support infrastructure (ODIMM...).

ODIMM at its turn develops some projects, that are meant to support the entrepreneurs, and these projects are: PARE 1+1, PNAET, GEA and FGC (Programul de sustinere...).

PARE 1+1 is Project of Attracting the Remittances in Economy, and has the aims to mobilize the human and financial resources of Moldovan migrants, in Moldova’s sustainable economic development, by fostering the establishment and development of small and medium enterprises by migrant workers and recipients.

Other more entrepreneurial projects are PNAET and GEA. PNAET is the National Program of Youth Economic Empowerment that aims to develop the entrepreneurial skills of young people based on knowledge and successful management of the resources, as well as facilitating the access to financial resources of the young entrepreneurs, necessary to initiate and develop their own business.

GEA is the Program “Effective Management of Business” that increases the entrepreneurship skills, to ensure effective management of their business.

FGC is the Special Credit Guarantee Fund that facilitates the access to financial resources for micro and small enterprises. FGC main activities are the Provision of loan guarantees for traders that lacks sufficient forfeit.

Opening small and medium enterprises and activating in this sector can be a positive and as well a negative challenge. Even though it is said that the enterprises and the SMEs sector have their strengths, they have also some weaknesses.

The latest Enterprise Survey, held by the World Bank in 2009, and presented in 2010, show the biggest business environment obstacles met in Republic of Moldova, as perceived by firms. Through this the main ones are: Access to Finance, Inadequately educated workforce, Access to Land, Corruption and others, that can be seen in the Figure 4.

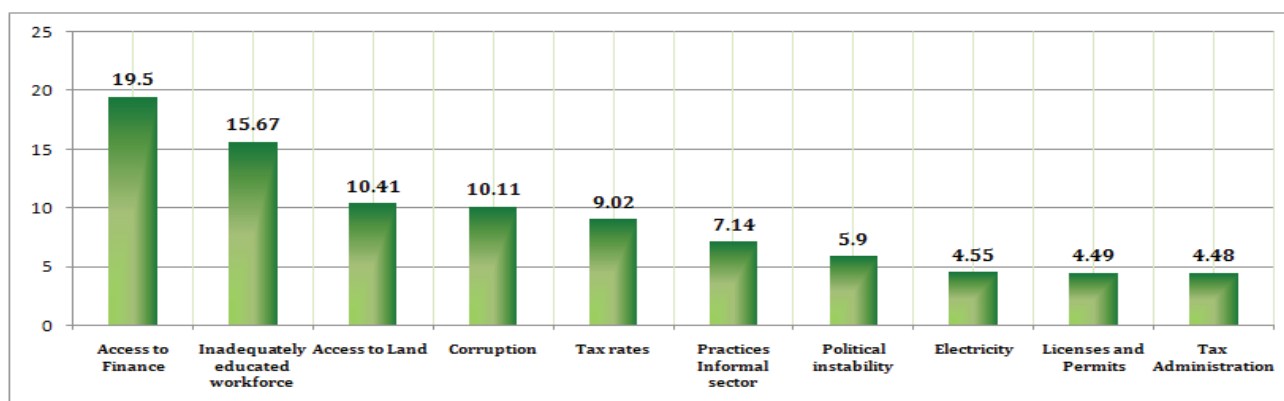


Figure 4. Top ten Business Constraints for firms in the Republic of Moldova (%)

Source: Enterprise Surveys – Moldova country profile, 2009: 4

Therefore, Access to Finance represent 19.5 %, Inadequate educated workforce 15.67 % and Access to Land 10.41 %, being the first three in the top ten presented by the World Bank in the country profile after surveying the enterprises from the republic of Moldova.

## 5. Primary data results analysis

As entrepreneurship in Moldova represents a rather new definition and the entrepreneurial activity is very poor, the number of respondents is characterized by the ones active in the total Hotel and Restaurants domain. Once the total number of the enterprises active in this sector is of 1424 then the sample size would be of 303 respondents. The questionnaire was sent to a bigger number of respondents, in order to avoid the unwillingness to cooperate, this making the analysis to be provided for 310 responses received that accomplished to fill in the questionnaire on December 2012.

The empirical research questionnaire was based on theoretical considerations. Questions had been formulated striving to evaluate current entrepreneurship knowledge and skills and to find out obstacles the respondents face in the creation or starting their own entrepreneurial activities. Research data were processed and analyzed by using the statistical data analysis packet SPSS.

Analyzing the data on the previous experience of respondents in the domain of entrepreneurship it is noticed that even if it is so important, a lot of new enterprises do not have preceding practice in this domain, 69.35 % stating as an answer “No”, and only 95 respondents, meaning 30.65 % answered “Yes” to this question.

The purposes of opening a business are various.

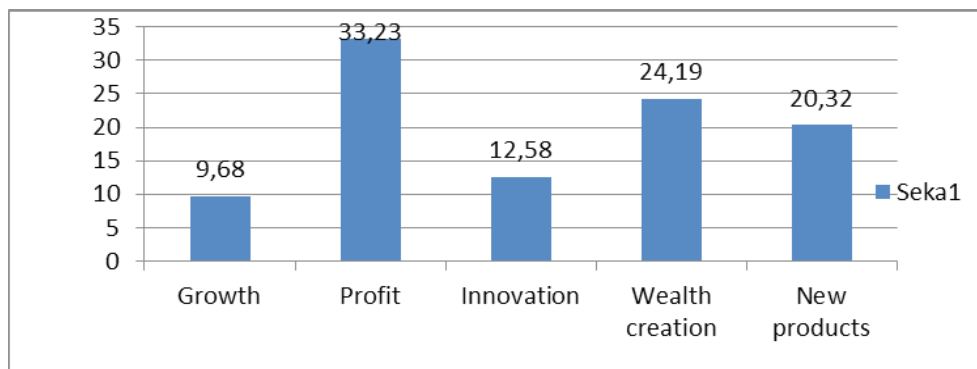


Figure 5. The main purpose of opening a business

It seems that the most important remains to be the Profits, 33.23 % of the respondents choosing this answer. On the second place being chosen the Wealth Creation as a main purpose of opening a business with 24.19 % of answers instead of Innovation (12.58) that stands as a priority for Entrepreneurship development.

Taking the other answer for the barriers they face, that is the Access to Finance, it is easily to notice that more of the respondents, like 44.2 %, listed it as the most important barrier, choosing the Strongly Agree answer, which is followed by the Agree answer, that registered being chosen by 81 of the respondents, or 26.1 %.

The competences on Entrepreneurship that the entrepreneurs gain, before starting a new activity seem to also be very important. These are the seminars and training they attend, the Conferences being they national or international, the International Forums and Summer Schools, that probably are more attended by the College students and by the University level people. So, the Seminars and Trainings are very important, taking 67.4 % of the total respondents.

Other, as well, very important question for the research, was the one regarding the Dodd's cultural metaphors, and the way the Moldavian entrepreneurs compare their entrepreneurial activity with, the results obtained being also very interesting, as seen in the Figure 6.

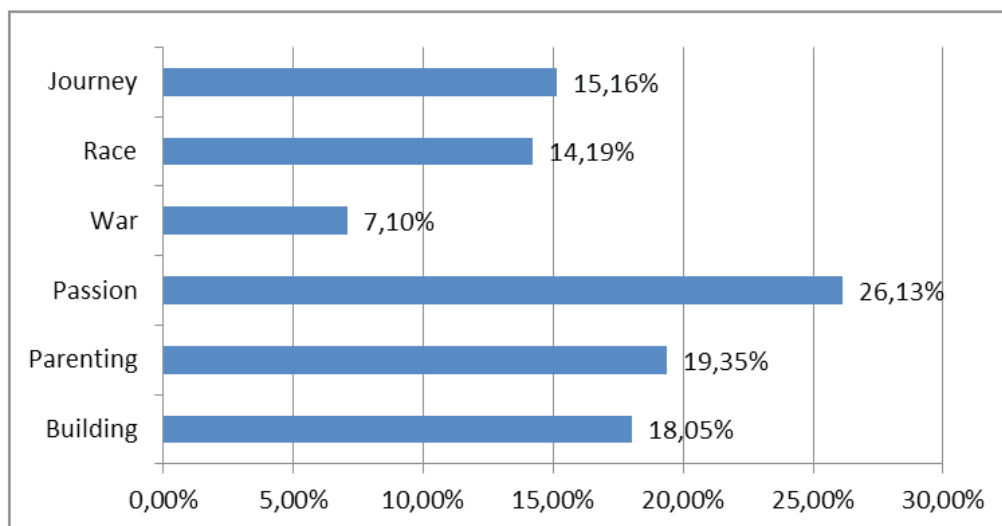


Figure 6. Dodd's Cultural metaphors comparison with the Entrepreneurship

So, Dodd's Cultural Metaphors are represented by Journey, Race, War, Passion, Parenting and Building. The Moldavian entrepreneurs, most of all, 26.13 % see their activity as a Passion process that implies a fierce attachment, commitment, excitement and joy for the business to grow. On the second place, with 19.35 %, the businesses are associated with Parenting, where people aim for step-by-step development, responsibility and see business as a life-path and only 22 respondents or 7.1 % chose "War" metaphor – the aggression as a way of doing business, being on the last place.

Talking about the others experience that was used by the respondents in opening their businesses, from the 310 respondents, 44 were not decided about their answer. Still from the other 266 respondents, 186 persons used the successful examples of their Family members in the decision of a new activity, while 80 followed their Close friends' examples. Therefore, we can conclude that Family Members, as the ones of first grade, Father, Mother, Sisters and Brothers *do have* a very important role in the decision taking, through their examples of already successful businesses or maybe their activity in other companies, now being ready to start their own family business.

From the three agencies of the government of the Republic of Moldova, that is presented by ODIMM (Organization for Small and Medium Enterprises Sector Development), MIEPO (Moldovan Investment and Export Promotion Organization) and CCI (Chamber of Commerce and Industry), most of the respondents affirm that they used the projects offered by ODIMM, as a support, consulting or help through the different projects offered by the organization.

Only 25.2 % of respondents used support of CCI and 25.2 % participated in MIEPO projects. So, almost 50.0 % of the respondents that replied to this question say they used ODIMM support, this coming into hand to the fact that only this organization offers projects related to the entrepreneurship skills development.

The projects that were used from ODIMM and their percent of usage are shown in the Figure 7, and they are shared as follows:

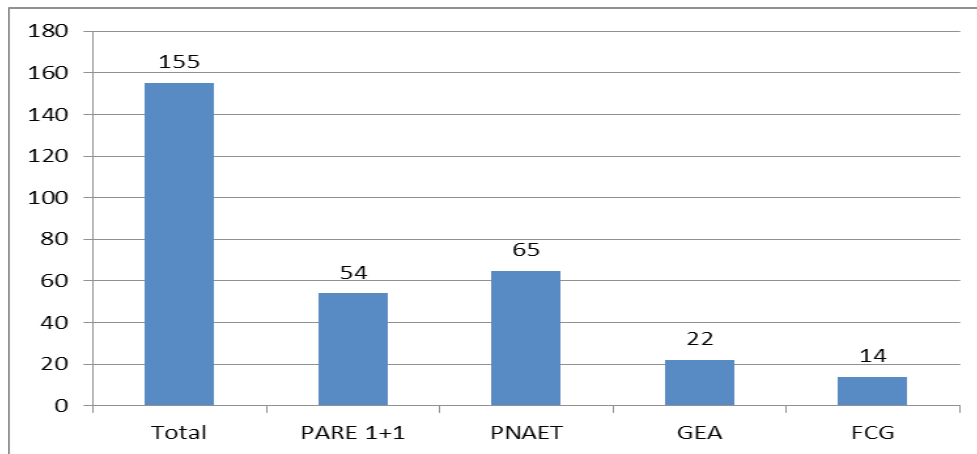


Figure 7. ODIMM projects used

The ODIMM project used by the respondents seem to be used more by the youth that is supported in starting their activity, the PNAET project, 65 respondents choosing this project or by the ones that worked abroad and then returned at home, the number of respondents that used the PARE 1+1 project being of 54. The Effective management of business (GEA) and the Guarantee of the Credit Funds (FCG) are less chosen, being registered the numbers of 22 and 14 respondents respectively.

Summarizing the results obtained from the empirical research, it is noticeable that were proven talk about the agencies and projects offered by the Government of the Republic of Moldova as a help in starting new entrepreneurial activities. The main problem the entrepreneurs' face, the Access to Finance, coming into hand with the World Bank Enterprise Survey (2009), the Republic of Moldova Profile, where the same problem was set on the first place in the top ten presented.

## Conclusions

Entrepreneurship is the first and foremost mindset covering individual motivation and process to create and develop economic activity by blending risk-taking, creativity and innovation with sound management, within a new or an existing organization.

A big and important role in the economy of the Republic of Moldova and the entire entrepreneurship development plays the SMEs. But in a developing country like Moldova entrepreneurship it still remains a term that is not understood till the end, and making the whole entrepreneurial activity almost missing.

Empirical research revealed that in starting an entrepreneurial activity, more businesses started as newly created enterprises. Based on Dodd's cultural metaphors, most of the entrepreneurs see their business as a passion process that implies a fierce attachment, commitment, excitement and joy for the business to grow.

The access to finance remains the most important problem that the entrepreneurs face while starting their entrepreneurial activity. Profits and wealth creation seem to be the basic needs, innovation being only on the fourth place, thing that proves ones again the poor entrepreneurial activity and goals the Moldavian entrepreneurs have.

Based on the obtained and presented results of the empirical research, some recommendations of how to improve the situation would also be benefic. These would include:

- A bigger support for the young entrepreneurs and newly created businesses from the Government helping and supporting the entrepreneurial activity.

- The organization of more seminars and trainings that will provide entrepreneurship skills, ways to develop the creativity and self-confidence. The seminars and trainings should be provided throughout all the republic, and including all the social levels, all this being made in cooperation with local or international experts on the entrepreneurship practices.
- Promote more the Special Credit Guarantee Fund, as it has been the one less used by the young entrepreneurs, and it is the one that can bring help to the main problem faced by the entrepreneurs, the access to finance.

## References

- Activity of small and medium enterprises in the Republic of Moldova in 2011*. Website: <http://www.statistica.md/news-view.php?l=en&idc=168&id=3797>
- Akande, A. (1992). Coping with entrepreneurial stress. *Leadership & Organization Development Journal*, Vol. 13, No. 2, p. 27–32.
- Alstete, J. W. (2008). Aspects of entrepreneurial success. *Journal of Small Business and Enterprise Development*, Vol. 15 (3), p. 584–594.
- Analysis of the Enterprises Activity*. National Bureau of Statistics of Moldova, Report. Website: <http://www.statistica.md/newsview.php?l=ro&idc=168&id=3797>
- Baruah, S. A. K. (2003). *Entrepreneurship: Concept and definition*. Indian Institute of Entrepreneurship, Ministry of Industry, Department of SSI & ARI. Government of India. Website: <http://assamagribusiness.nic.in/agriclinics/Entrepreneurship%20concept%20&%20definition.pdf>
- Baumol, W. (1993). Formal Entrepreneurship Theory in Economics: Existence and Bounds. *Journal of Business Venturing*, Vol. 8, p. 197–210.
- Bolton, B., Thompson, J. (2004). *Entrepreneurs: Talent, temperament, technique*. 2nd edition. Oxford: Elsevier.
- Buttner, E. H. (1992). Entrepreneurial stress: is it hazardous to your health? *Journal of Managerial Issues*, Vol. 4, p. 223–240.
- Cantillon, R. (1931). *Essai Sur la Nature du Commerce en Général (Essay on the Nature of Trade in General)*. London: Macmillan.
- Carter, N. M., Gartner, W. B., Shaver, K. G. (2004). *Career reasons*. Handbook of Entrepreneurial Dynamics: The Process of Business Creation. Sage, Thousand Oaks, CA.
- Ce reprezintă CCI*. Website: <http://chamber.md/ro/despre-cci>
- Darren, L., Conrad, L. (2009). *Entrepreneurship and Small Business management in the Hospitality Industry*. Jordan Hill, UK: Elsevier Linacre House.
- Dodd, S. (2002). Metaphors and meaning: A grounded cultural model of us entrepreneurship. *Journal of Business Venturing*, Vol. 17, p. 519–535.
- Enterprise Survey – Moldova Country Profile 2009*. (2010). World Bank and International Finance Corporation. Website: <http://www.enterprisesurveys.org/~media/FPDKM/EnterpriseSurveys/Documents/Profiles/English/moldova-2009.pdf>
- Entrepreneurship*. Website: <http://www.businessdictionary.com/definition/entrepreneurship.html>
- Entrepreneurship in Europe*. (2003). Website: [http://europa.eu/legislation\\_summaries/other/n26023\\_en.htm](http://europa.eu/legislation_summaries/other/n26023_en.htm)
- Folster, S. (2000). Do Entrepreneurs Create Jobs? *Small Business Economics*, Vol. 14, No. 2, p. 137–148.
- Gonzalez-Benito, O., Gonzalez-Benito, J., Munoz-Gallego, P. (2009). Role of Entrepreneurship and Marketing Orientation in Firms' Success. *European Journal of Marketing*, Vol. 43(3/4), p. 500–522.
- Hashi, I., Krasniqi, B. A. (2011). Entrepreneurship and SME growth: evidence from advanced and laggard transition economies. *International Journal of Entrepreneurial Behaviour & Research*, Vol. 17, Issue 5, p. 456–487.
- Kets de Vries, F. R. M. (1985). The dark side of entrepreneurship. *Harvard Business Review*, Vol. 63, No. 6, p. 160–167.
- Key Competences for Lifelong Learning – A European Framework*. (2007). European Commission, Brussels.
- Landström, H. (2004). Pioneers in Entrepreneurship Research. *Crossroads of Entrepreneurship International Studies in Entrepreneurship*, Vol. 3, Part 1, p. 13–31.
- Longenecker, J. G., Moore, C. W., Petty, J. W., Palich, L. E. (2006). *Small Business Management: An Entrepreneurial Emphasis*. 13th ed. Thomson South-Western, Mason, OH.
- Lucky, E. O., Olusegun, A. I. (2012). Is Small and Medium Enterprises (SMEs) an Entrepreneurship? *International Journal of Academic Research in Business and Social Sciences*, Vol. 2, No. 1, p. 487–496.
- Lundström, A., Stevenson, L. (2005). Entrepreneurship Policy: Theory and Practice. *International Studies in Entrepreneurship*, Vol. 9. New York: Springer.

- Martin, R. J., Osberg, S. (2007). Social Entrepreneurship: The Case for a Definition. *Stanford Social Innovation Review*, Vol. 5(2), p. 29–39.
- Martinelli, A. (2004). The Social and Institutional Context of Entrepreneurship. *Crossroads of Entrepreneurship: International Studies in Entrepreneurship*, Vol. 3, Part 1, p. 53–73.
- McCaffrey, M. (2009). Entrepreneurship. Economic Evolution and the End of Capitalism: Reconsidering Schumpeter's Thesis. *The Quarterly Journal of Austrian Economics*, Vol. 12, No. 4, p. 3–21.
- Peretto, P. F. (1998). Technological Change, Market Rivalry, and the Evolution of the Capitalist Engine of Growth. *Journal of Economic Growth*, Vol. 3, p. 53–80.
- ODIMM annual report. (2012). Cheia Succesului: Ghid pentru Antreprenori Incepatori. Ministerul Economiei. ODIMM official page. Website: [http://odimm.md/ro/proiecte\\_imm/default.htm](http://odimm.md/ro/proiecte_imm/default.htm)
- Programul de susținere și dezvoltare a IMM. Website: <http://www.mec.gov.md/programul-de-sustinere-si-dezvoltare-a-sectorului-intreprinderilor-mici-si-mijlocii/>
- Singh, G., Belwal, R. (2008). Entrepreneurship and SMEs in Ethiopia: evaluating the role, prospects and problems faced by women in the emergent sector. *Gender in management: An international Journal*, Vol. 23 (2), p. 120–136.
- Shein, M. L., Crous, F., Scepers, J. M. (2010). Positive states in relation to entrepreneurship orientation. *SA Journal of Industrial Psychology/SA Tydskrif vir Bedryfsielkunde*, Vol. 36(2), p. 1–10.
- Schumpeter, J. (1934). *The Theory of Economic Development*. Cambridge, Harvard University Press.
- Tanas, J. K., Saeed, J. (2007). Entrepreneurial cognition and its linkage to social capital. *Journal of American Academy of Business*, Vol. 11(1), p. 179–182. Cambridge.
- Thompson, J. L. (1999). The world of the entrepreneur – a new perspective. *Journal of Workplace Learning*, Vol. 11, Issue 6, p. 209–224.
- Van Voorhis, K. R. (1980). Entrepreneurship and Small Business Management. *Bibliography of selected SBA publications, Library of Congress Cataloging- in- Publication Data*, p. 7–46.

## VERSLUMO PLĖTROS GALIMYBIŲ VERTINIMAS, REMIANTIS MAŽŲ IR VIDUTINIŲ ĮMONIŲ PAVYZDŽIU MOLDOVOS RESPUBLIKOJE

TATIANA APOSTOL, GRAŽINA JATULIAVIČIENĖ  
Vilniaus universitetas (Lietuva)

### Santrauka

Ekonomikai sparčiai kintant, būtina adaptuotis šiuolaikinių pokyčių terpėje. Straipsnyje aptariamas mažų ir vidutinių verslo įmonių vaidmuo antreprenerystės procese, įvertinamos jų plėtros galimybės. Mažos ir vidutinės antrepreneriškos įmonės svarbios kiekvienos šalies ekonomikoje, nes skatina užimtumą ir ekonomikos vystymąsi, taip pat jos veikia kaip katalizatorius aktyvinant ir plėtojant inovacinę veiklą. Straipsnyje atskleidžiamas skirtumas tarp antrepreneriškų ir mažų bei vidutinių įmonių, analizuojami veiksniai, darantys įtaką antrepreneriškumo plėtrai.

Siekiant įvertinti antreprenerystės, kaip vieno iš būdų ekonomikai įgyti palankių naujos vertės kūrimo galimybių, reikšmę, atliktas tyrimas, remiantis mažų ir vidutinių įmonių Moldovos Respublikoje, besivystančioje Pietryčių Europos šalyje, pavyzdžiu, siekiant pagrįsti antreprenerystės svarbą šalies smulkaus ir vidutinio verslo plėtrai bei atskleisti problemas, su kuriomis susiduria pradedantieji antrepreneriai.

Atlikus duomenų analizę, taip pat remiantis empirinio tyrimo rezultatais, kurie gauti apklausus 310 jau dirbančių jaunų verslininkų iš mažų ir vidutinių įmonių viešbučių bei restoranų paslaugų srities, galima teigti, kad antreprenerystė Moldovos Respublikoje beveik nepraktikuojama. Be to, pradedantieji verslininkai, kurdami naują verslą, pirmenybę teikia pelno ir naudos siekiui, o ne inovatyvių sprendimų, kurie turėtų būti prioritetiniai plėtojant antreprenerišumą, paieškomis. Ypač svarbūs plėtojant antreprenerišumą yra Moldovos mažų ir vidutinių įmonių vystymo organizacijos (ODIMM) įgyvendinami projektai, galintys padėti tobulinti būtinus įgūdžius, skatinantys kūrybiškumą, siekiant naujovių Moldovos rinkoje.

Siekiant plėtoti antrepreneriškumą, jauniems antrepreneriams ir kuriant naujus verslus ypač svarbus Vyriausybės palaikymas, būtina rengti daugiau seminarų ir mokymų visoje Respublikoje, kad antreprenerystės žinios pasiektų visas socialines grupes. Empirinis tyrimas atskleidė, kad pagrindinė kliūtis kurti naują verslą yra finansavimo stoka, todėl būtina skleisti informaciją, kaip galima pasinaudoti smulkioms ir vidutinėms įmonėms teikiama finansine parama.

PAGRINDINIAI ŽODŽIAI: *antrepreneriškumo vystymas, antrepreneris, mažos ir vidutinės įmonės.*

JEL KLASIFIKACIJA: Q010, L200, L260, M130